IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.173 OF 1996

The Commissioner of Income-tax,
City VI, Bombay .. Applicant.
V/s.
M/s.Royal Western (I) Hotel
(Pvt.) Limited .. Respondent.

Mr.R.V. Desai, senior counsel with Mr.A.S. Rao for the applicant.

Mr.K. Gopal i/b. Mr.B.V. Jhaveri for the respondent.

CORAM : S. RADHAKRISHNAN &
J.P. DEVADHAR, JJ.

DATED : 7TH MARCH, 2005.

P.C. :

1. Heard learned counsel for the applicant and the respondent. The question referred to reads as under :

> Whether on the facts and in the circumstances of the case, the Tribunal was right in law in holding that there is no book profit which could be subject to tax under section 115-J of the Act and there by deleting an amount of Rs.5,55,615/- not withstanding the fact that the working has been done as per Board's circular No.495 dated 22.9.1987 ?

2. the learned counsel for the applicant fairly states that the issue is squarely covered by the judgment of the Supreme Court in the case of **Apollo Tyres Ltd. V/s. CIT [255 ITR 273].**

3. In view thereof, the question is answered in affirmative in favour of the assessee against the revenue.

(S. RADHAKRISHNAN, J.)

(J.P. DEVADHAR, J.)